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**Before the House Committee on Government Reform  
Subcommittee on Criminal Justice, Drug Policy and Human Resources**

**“National Drug Control Budget for Fiscal Year 2007”**

**February 16, 2006**

Chairman Souder, Ranking Member Cummings, and distinguished Members of the Subcommittee: I am pleased to appear before you today in support of the President’s Fiscal Year 2007 National Drug Control Budget. Before I proceed, I want to thank the Subcommittee for its strong bipartisan commitment to our shared national goal of reducing drug use in America, especially among our youth.

This month, we have updated the *National Drug Control Strategy*, detailing the President’s plan to continue to reduce drug use in the United States. As part of the Subcommittee’s oversight responsibilities, I’ve been invited to discuss the drug budget, review policies and programs for the coming fiscal year, and discuss my office’s role in the development of these proposals. My remarks today will focus on these key points.

When President George W. Bush took office in 2001, drug use had risen to unacceptably high levels. Over the past decade, drug use by young people had nearly doubled, as measured by those who reported having used drugs in the past month: 11 percent of young people had used drugs in the past month in 1991, and 19 percent had done so in 2001. Indeed, in 2001, over half of all 12<sup>th</sup> graders in the United States had used an illicit drug at least once in their life before graduation.

Determined to fight this trend, the President set aggressive goals to reduce drug use in the United States, including reducing youth drug use by 10 percent in two years. In 2003, that goal was met and exceeded. According to the latest University of Michigan *Monitoring the Future* survey of youth drug use that was released in December 2005, overall teen drug use has declined significantly since the President took office. Current use of illicit drugs by 8<sup>th</sup>, 10<sup>th</sup>, and 12<sup>th</sup> graders combined has dropped 19 percent since 2001. This translates into nearly 700,000 fewer young people using illicit drugs.

This year’s *National Drug Control Strategy* seeks to build on the progress that has been made by outlining an integrated plan aimed at achieving the President’s goal of a 25 percent reduction in drug use over five years. Each pillar of the Strategy is crucial, and each sustains the others. The three components are:

*Stopping Drug Use Before It Starts.* This element of the Strategy focuses on the Administration's work to prevent the initiation of drug use. An integral part of this effort is the new "Above the Influence" initiative by the Office of National Drug Control Policy's (ONDCP) National Youth Anti-Drug Media Campaign and the Partnership for a Drug-Free America. This initiative, which consists of television advertisements and interactive web-based outreach, calls on young people to be true to themselves by remaining "above the influence."

*Healing America's Drug Users.* Key initiatives in this area include the President's Access to Recovery program, which expands treatment options, and drug courts, which seek to rehabilitate offenders with substance abuse problems.

*Disrupting Drug Markets.* This strategic priority emphasizes the Administration's work at home and abroad to disrupt the availability of illicit drugs, through source country efforts, interdiction programs, and investigative operations. We are attacking market vulnerabilities in the illegal drug trade and applying pressure to reduce profits and raise the risks of drug trafficking.

The President's 2007 Budget provides significant resources for reducing illegal drug use. For the information of the Subcommittee, I have included as part of my testimony (attached) a table highlighting drug control funding by agency and bureau, as these data were presented in the *Budget of the President*, released on February 6. The proposed funding levels support the three key priorities of the Strategy. In total, the 2007 National Drug Control Budget is \$12.7 billion, an increase of \$109.1 million (+1 percent) over the fiscal year 2006 enacted level of \$12.5 billion.

Demand reduction programs supported by the Department of Health and Human Services will maintain support for innovative approaches targeting early intervention and drug treatment. The budgets of HHS, the Department of Education, the Department of Justice, and ONDCP also include funding to support important research, prevention, intervention, and treatment programs. Funding for supply reduction in the Departments of Homeland Security, Justice, State, and Defense will support operations targeting the economic basis of the drug trade, domestic and international sources of illegal drugs, and trafficking routes to and within the United States. The budget includes significant resources to aid counternarcotics efforts in Afghanistan, while following through in Colombia and the Andean region.

## **I. Stopping Use Before It Starts: Education and Community Action**

When President Bush took office, he set out a bold agenda to counter unacceptably high levels of drug use, and the Nation is seeing results: drug use is down, particularly by young people. At the heart of the Administration's success is a change in perceptions about using illicit substances. In his 2006 State of the Union Address, the President highlighted what he called a "revolution of conscience" in which young people find that personal responsibility and a life of fulfillment go hand in hand. ONDCP's drug policies have focused on effecting this change through education

programs and outreach activities that are backed up by scientific studies, and have worked to spread the word that illicit substance use can be harmful to a person's health and well being, as well as a detriment to society as a whole. Falling levels of drug use are evidence that the efforts by this Administration, Congress, and communities across the Nation are working to change the culture of acceptance towards drug use. In addition to working to prevent the onset of drug use, the *National Drug Control Strategy* has made healing drug users a priority – a testament to the fact that America is the land of second chances.

The greatest pressure on young people to start using drugs does not come from drug pushers but from their peers. It is, therefore, important to continue to educate young people about the dangers of drug use and build a cultural norm that views illicit drug use as unacceptable. This culture, and the attitudes that support it, works as a bulwark against the spread of drug use.

### **Media Campaign**

There are many types of prevention programs, and the Strategy discusses several—including community-based programs and school-based programs, as well as student drug testing. In addition to these important efforts, ONDCP's own National Youth Anti-Drug Media Campaign is leading our efforts to reduce youth drug use. The Media Campaign is an integrated effort that combines advertising with public communications outreach. It has drawn on the strengths of each of these fields, developing in the process a series of advertisements that aim to change youth attitudes about drug use, encourage parents to monitor teen behavior, and promote early intervention against the first signs of drug use.

ONDCP's Media Campaign recently launched a new advertising and online campaign for teens aged 14–16. "Above the Influence" challenges teens to live above the negative pressures in their lives, and encourages youth to resist drug use by rejecting negative influences, empowering them to make positive choices. The "Above the Influence" campaign speaks directly to the aspirations of teenagers, and delivers a powerful message that squarely addresses the social context that leads to harmful decisions, such as drug use. A teen who is "Above the Influence" recognizes the risks of negative influences and is determined to live above them.

The President's 2007 Budget proposes \$120 million for the Media Campaign, an increase from FY 2006's enacted level but the same as the FY 2006 request. We believe continued erosion in the ability for the Media Campaign to reach its target audiences due to budget cuts could well result in a major loss of the momentum we have achieved over the past four years and therefore a resulting rebound in youth drug use.

### **Drug Testing**

Promoting a culture that supports healthy, drug-free choices also requires providing disincentives to using drugs. Screening for drugs is an important way to send the message that drug use is unacceptable—in the workplace, in schools, or as a condition for student participation in extracurricular activities. Screening for drug use gives young people an "out" to say no to drugs.

If they want to play on the volleyball team and know that they will be tested as members of the team, they can cite their desire to play as a reason not to use drugs when pressured by a peer.

Many schools across the country have instituted student drug testing as a way to maintain drug-free schools and ensure that students who use drugs get the help they need. In his 2004 State of the Union Address, President Bush announced a new initiative to support communities that want to include drug screening as part of their efforts to maintain drug-free schools. Implementing a student drug testing program is optional—communities must apply for the grants, which are not tied in any way to other Federal education funding. Furthermore, testing cannot result in referral to law enforcement agencies or adversely affect the student's progress in academic programs. Instead, student drug testing programs are designed to help students make healthy choices and provide support for those who may have become addicted to illicit drugs. In further support of this important prevention tool, the President's Budget requests \$15 million for student drug testing grants in 2007, an increase of \$4.6 million over the 2006 enacted level.

### **Community Coalitions**

States and local organizations are in the best position to identify the challenges they face and to take action to overcome them. Indeed, communities across the country have formed community anti-drug coalitions that coordinate prevention and intervention efforts. These coalitions bring together community leaders and professionals in health care, law enforcement, and education to provide local, grassroots solutions to the challenges drug and alcohol abuse pose to their neighborhoods. Coalitions work to develop a model for all sectors to work together to change community norms and send the same no-use messages to young people. The Administration supports the efforts of many of these coalitions by providing \$79.2 million in the President's 2007 Budget through the Drug-Free Communities (DFC) program. Currently, there are over 700 funded DFC coalitions, which exist in every state and form the backbone of the Nation's community prevention system. Under this program, each grantee receives up to \$100,000 annually for up to five years to develop a comprehensive plan to address substance abuse problems at the local level.

## **II. Healing America's Drug Users**

Despite our best prevention efforts, some people will choose to begin using drugs, and many of them will become addicted. To address this, the Administration has made intervention and treatment a priority. As many as 19.1 million Americans have used at least one illicit substance in the past month and 7.3 million are abusive of, or dependent upon, illegal drugs. Intervention and treatment are therefore key components to the President's drug control strategy to reach these populations. Both aim to accomplish two important goals: stem the use of illicit drugs and provide help to those whose use has become problematic.

## **Access to Recovery**

Empowering individuals by allowing them to choose among various drug treatment programs is a goal of President Bush's Access to Recovery (ATR) initiative. This initiative recognizes that everyone's path to recovery is unique and enables drug dependent individuals to tailor their treatment program by offering them treatment vouchers which can be exchanged for services at a variety of providers. Access to Recovery expands the choices to include faith-based providers, because a person's faith can play an important role in the healing process. The President's program is now in 14 states and one tribal organization. To continue this vital program in 2007, the President's Budget requests \$98.2 million; including \$70.5 million for a voucher incentive program and \$24.8 million for a new ATR-methamphetamine initiative.

## **Expanding Choice through the Substance Abuse Block Grant**

For those who have become drug abusive or dependent, the Administration is working to expand treatment options across the country. As part of the President's efforts to expand choice in Federal assistance programs, the Administration will offer incentives, through the Access to Recovery program, to encourage states to provide a wider array of innovative treatment options by voluntarily using a portion of their Substance Abuse Block Grant funds for drug-treatment and recovery support service vouchers. Building on the successful model of the President's Access to Recovery program, distribution of block grant funds through a voucher system will promote innovative drug and alcohol treatment and recovery programs, provide a wider array of treatment and recovery provider options, and introduce greater accountability and flexibility into the system.

## **Drug Courts**

An important program to help drug users who have been involved in crime is the use of drug courts. Drug courts are an innovative approach to helping drug offenders achieve a drug and crime free life. Drug courts use the power of the courts and the support of family, friends, and counselors to bring people to the path of recovery and to help them achieve drug free lives. This mix of incentives and sanctions has been found to be effective at reducing drug use and recidivism, and is a remarkable example of a public health approach linked to a public safety strategy. The benefits for those who are arrested on drug charges and referred to a drug court is the possibility of avoiding prison entirely, and possibly having his or her arrest record expunged after successful completion of the drug court program. While some drug court programs divert offenders away from the criminal justice system and into treatment, drug courts in no way release offenders from being accountable. The best drug courts will demand the type of rigorous personal accountability from drug abusers that may not be available in a prison environment, by, for instance, requiring frequent treatment sessions, regular public hearings, and, of course, frequent mandatory drug testing. Data shows that within the first year of release, 43.5 percent of drug offenders are rearrested, whereas only 16.4 percent of drug court graduates are rearrested. To support and broaden this initiative, the Administration recommends a funding level of \$69.2 million for the drug court program in 2007. This represents an increase of \$59.3 million over the

2006 enacted level. This enhancement will increase the scope and quality of drug court services with the goal of improving retention in, and successful completion of, drug court programs.

### **Screening and Intervening**

The Administration is committed to expanding intervention programs and increasing the options for treatment. Intervention programs focus on users who are on the verge of developing serious problems. This emphasis is cost effective and limits the spread of drug use by individuals who are in the early stages of use before the negative effects of continued use and addiction develop.

A key priority of this Administration has been to make drug screening and intervention programs part of the Nation's existing network of health, education, law enforcement, and counseling providers. This requires training professionals to screen for drug use, identify users, and refer the users for treatment. The Department of Health and Human Services offers grants through the Screening, Brief Intervention, Referral and Treatment (SBIRT) program to states, territories, and tribal organizations to provide effective early identification and interventions in general medical settings (e.g., community health centers, emergency departments, trauma centers) for persons who are non-dependent substance users. As part of the 2007 Budget, \$31.2 million is requested for this important initiative.

SBIRT programs vary widely, and the Administration is evaluating each to identify best practices that can then be replicated. In one program, new students in a local community college must fill out a survey before opening their school email accounts. The interactive survey takes them through a line of questioning that helps them identify potential substance abuse problems. Students who may have a problem are referred to counselors who can do a more thorough in person evaluation. This program is based on a body of research showing that by simply asking questions regarding unhealthy behaviors and conducting brief interventions, patients are more likely to avoid the behavior in the future and seek help if they believe they have a problem.

### **III. Disrupting Drug Markets**

The policies and programs of the *National Drug Control Strategy* are guided by the fundamental insight that the illegal drug trade is a market, and both users and traffickers are affected by market dynamics. By disrupting this market, the U.S. Government seeks to undermine the ability of drug suppliers to meet, expand, and profit from drug demand. Drug control programs focused on market disruption attempt to reduce the profits and raise the risks involved in drug trafficking. The desired result is a reduced incentive for traffickers or would-be traffickers to enter or remain in the illicit trade. Moreover, these programs generate and exacerbate the challenges involved in the drug trade by forcing traffickers to modify their practices, identify new accomplices, and choose new methods of operation that increase the cost, risk, and complexity of smuggling drugs. The U.S. Government and its international partners focus on eradicating drug crops, interdicting drug production and movement, and attacking drug-trafficking organizations and their financial facilitators with support from critical information and intelligence activities.

## **Colombia and the Andes**

The Andean Ridge is the sole supplier of the world's cocaine and a major provider of the heroin consumed in the United States. Although Colombia is the predominant source of both illicit drugs, any plan targeting cocaine and heroin production must consider the latent capacity within Bolivia and Peru. Drug production and trafficking in Ecuador and Venezuela must also be considered. The Administration's Andean Counterdrug Initiative (ACI) addresses all of these concerns and is yielding promising results. President Uribe and the Government of Colombia are firmly committed to countering the threat that drug trafficking poses to Colombia, the Western Hemisphere, and the world. Colombia and the United States are solid partners in a combined strategy of eradication, interdiction, and organizational attack. The President's Budget requests \$721.5 million to continue ACI in 2007.

In 2004, Colombia sprayed more than 131,000 hectares of coca and manually eradicated another 10,279 hectares. The Government of Colombia reported spraying more than 138,000 hectares of coca and manually eradicating more than 31,000 hectares in 2005. These efforts have reduced cultivation by one-third since 2001 and have reduced potential pure cocaine production from 700 metric tons in 2001 to 430 metric tons in 2004. The attack on opium poppy has been just as relentless. In the past two years, Colombia has sprayed 4,660 hectares of poppy and manually eradicated another 1,700. Poppy cultivation has decreased by two-thirds since 2001, and potential heroin production decreased to 3.8 metric tons from 11.4 metric tons in 2001.

The United States and Colombia must work to secure and extend the success of the Andean Counterdrug Initiative and Plan Colombia by aggressively countering trafficker responses to the success of ongoing eradication, interdiction, and organizational attack programs. Increased aerial eradication capability is necessary to attack replanting efforts more swiftly. Additional focus must be placed on identifying new cultivation of coca and opium poppy, particularly in more remote areas. The United States also will support Colombia in coordinated efforts to increase interdiction pressure against drug-movement corridors within Colombia and to target the most vulnerable segments of the Colombian supply chain through organizational attack. Furthermore, the United States must continue its support and assistance to democracy and rule of law programs in Colombia as part of our comprehensive effort to stem the flow of drugs to this country.

The election of President Evo Morales in Bolivia presents challenges to US counternarcotics policy in that country. President Morales has said that his strategy is zero cocaine but not zero coca. This proclamation notwithstanding, our analysis indicates that most of the coca leaf cultivated in Bolivia, to include the licit crop, is converted into cocaine base. Therefore, any loosening of the restrictions on coca cultivation will likely result in increased cocaine production. President Morales mentioned that there would be no free cultivation of coca leaf, and backed these words up by restarting eradication shortly after his ascension to the presidency. Unfortunately, after protests and threats from radical cocaleros, eradication was halted on January 31, 2006 and has made only halting progress since then. The Bolivian president has also

expressed concern with the military's participation in eradication operations and has talked of removing them from the process. This would further undermine containment, as their experience and equipment make them mission-essential to any and all eradication efforts. President Morales' political base may also cause difficulties and impair his ability to effectively carry out counternarcotics policy in Bolivia. We are monitoring these developments and working closely with the Department of State to bring to bear whatever influence we can to minimize the degree to which President Morales' policies undermine recent counterdrug successes.

Peru and Bolivia remain the second and third largest producers of cocaine, with Peru producing 165 metric tons and Bolivia some 70 metric tons of pure cocaine in 2005. The United States has been and, to the extent possible, intends to continue working with these two countries in eventually reducing their illicit coca cultivation to negligible amounts, while creating an inhospitable environment for those considering reentry into cultivation, cocaine production, and transportation of the illicit product.

### **Mexico and the Southwest Border**

The harsh climate, vast geography, and sparse population of the American Southwest have long challenged law enforcement along the roughly 2,000-mile border with Mexico. In addition to the 33 legitimate crossing points, the border includes hundreds of miles of open desert, rugged mountains, and the Rio Grande River, providing an ideal environment for cross-border criminal activity. Most illicit drugs that enter the United States are smuggled across the U.S.-Mexican border, which drug traffickers exploit in two directions, smuggling drugs from Mexico into the United States and moving billions of dollars in illicit drug profits from the United States back into Mexico. Because the U.S. Government's counterdrug, counterterrorism, and immigration enforcement missions are interrelated, improved counterdrug efforts also will enhance border security. In February 2005, the Homeland Security Advisor directed the development of a strategy to address the drug threat to the Southwest Border. Interagency efforts are culminating in a coordinated *National Southwest Border Counternarcotics Strategy* that will identify key strategic objectives and provide specific recommendations to address the illicit narcotics threat and significantly improve overall interdiction efforts along the Southwest Border. In support of these efforts, the President's 2007 Budget includes new drug-related resources for Customs and Border Protection of over \$152 million.

Most illicit drugs that enter the United States are smuggled across the U.S.-Mexican border. During the presidency of Vicente Fox, Mexico has demonstrated its commitment to countering the drug threat through its large-scale opium poppy and marijuana eradication programs. The Mexican Army and the Attorney General's Office conduct eradication operations, and these programs consistently eradicate at least 80 percent of the opium poppy and marijuana cultivated each year.

This commitment to effective eradication is clearly reflected in its impact on Mexican opium poppy cultivation. In 2004, Mexico eradicated nearly 16,000 hectares of opium poppy, causing cultivation to drop 27 percent, from 4,800 hectares in 2003 to 3,500 hectares in 2004. Potential



heroin production in Mexico fell by 25 percent over the same period, down from 12 metric tons in 2003 to 9 metric tons in 2004. Mexico's commitment to eradication has also reduced the country's marijuana cultivation. As a result of the eradication of 29,606 hectares of marijuana in 2004, marijuana cultivation fell 23 percent, from 7,500 hectares in 2003 to 5,800 hectares in 2004. Marijuana potential production, although still high by historical standards, fell from 13,400 metric tons in 2003 to an estimated 10,400 metric tons in 2004. As of November 2005, the Mexican Government reported that it had eradicated 30,883 hectares. The impact of these eradication efforts is amplified by the roughly 2,000 additional metric tons of marijuana that Mexico seizes annually.

The Fox Administration still faces significant challenges. Mexican trafficking organizations have generated unprecedented violence, especially in border cities. Although Mexico has attempted an array of initiatives, it has yet to extradite a major active drug trafficker to the United States. To help overcome these challenges, the United States and Mexico will continue to work to address our shared problem with drug production and trafficking.

### **Methamphetamine and Other Synthetics**

Since the early 1990s, and especially over the last few years, the use of synthetic drugs, such as methamphetamine and certain prescription drugs, has become a severe and troubling problem, both at the national level and in affected communities. The most devastating of these synthetic drugs has been methamphetamine, but in some areas, so-called "club drugs" such as Ecstasy have also become a major concern. The abuse of prescription drugs, particularly narcotic pain relievers, has become the second most prevalent form of drug abuse.

In response to these developments, in October 2004 the Federal government released the *National Synthetic Drugs Action Plan*, the first comprehensive national plan to address the problems of synthetic and pharmaceutical drug trafficking and abuse. The *Action Plan* outlined current Federal and state efforts in the areas of prevention, treatment, regulation, and law enforcement and made concrete recommendations for enhancing government efforts to reduce synthetic drug abuse.

In the past decade and a half, methamphetamine use and its attendant negative consequences have gradually spread eastward across the United States. Between 1992 and 2002, the treatment admission rate for methamphetamine/amphetamine has increased from 10 to 52 admissions per 100,000 population aged 12 or older (an increase of over 500 percent). Additionally, between 2000 and 2004, the positive drug-testing rates among the general U.S. workforce for methamphetamine/amphetamine increased from 0.25 percent to 0.52 percent of all tests (an increase of more than 100 percent). Although the spread of methamphetamine use is troubling, there is a significant bright spot in youth use rates since the President took office. Methamphetamine use rates have dropped by almost one-third among 8<sup>th</sup>, 10<sup>th</sup> and 12<sup>th</sup> graders since 2001.

In response to the increased threat from methamphetamine, U.S. law enforcement agencies have increased their efforts to stem the flow of methamphetamine and the precursors that are used to produce it, both domestically and working with our international partners. States have also taken action. Within the past year, 35 states have passed legislation to impose new regulations on the retail sale of the methamphetamine precursor pseudoephedrine. Since the challenges vary from state to state, these restrictions vary by state in their severity and content. States with the strictest pseudoephedrine laws have seen significant reductions in the seizure of small toxic labs.

Federal efforts have also had a dramatic effect on the fight against methamphetamine. The High Intensity Drug Trafficking Area (HIDTA) program has 96 initiatives that are specifically focused on methamphetamine—the largest number of initiatives focused on any single drug. Further, the President's 2007 Budget includes \$40.1 million for Meth lab clean-up, an increase of \$20.3 million over the 2006 enacted level. In addition, DEA has taken steps to counter the methamphetamine threat. DEA conducted *Operation Wildfire*, a sweep operation conducted with state and local law enforcement partners in more than 200 cities across the United States that resulted in 427 arrests and the seizure of more than 208 pounds of methamphetamine.

Although a great deal of law enforcement resources have been dedicated to fighting the spread of methamphetamine domestically, much of the success in disrupting the methamphetamine market will continue to rely on our ability to work with other countries to reduce the flow of methamphetamine and its precursors – principally pseudoephedrine and ephedrine – into the United States. In addition to working on this issue with our neighbors, Mexico and Canada, the United States continues to work with the primary producing and exporting countries for bulk ephedrine and pseudoephedrine—China, Germany, and India. Through these international efforts, we are continuing to make progress.

### **Transit Zone Interdiction**

The 2007 Budget includes over \$3.1 billion for drug-related interdiction activities, including enforcement at and between our ports-of-entry and, importantly, in the Transit Zone between the United States and South America. This Transit Zone funding in no way signals any deviation from our Source Zone concentration of efforts and support. With the close cooperation of the Departments of Homeland Security, Defense, and Justice, Transit Zone interdiction accounted for the removal of hundreds of tons of cocaine from the market in 2005. Large seizures denied traffickers significant profits from selling bulk quantities of cocaine. They also prevented millions of dollars in illegal proceeds from returning to Colombia.

For the third straight year, joint service, interagency, and multi-national forces in the Transit Zone, under the able coordination of the Joint Interagency Task Force (JIATF) South, seized and disrupted a record amount of cocaine. Transit Zone seizures and disruptions in 2005 amounted to 254 metric tons, compared to 219 metric tons in 2004 and 176 metric tons in 2003. In 2005, JIATF-South air and maritime assets interdicted an impressive 66 go-fasts and 49 fishing vessels loaded with cocaine. During August 2005 alone, JIATF-South removed 45 metric tons of

cocaine destined for U.S. markets, stopping seven smuggler go-fasts, a similar number of trafficker fishing vessels, and two motor vessels.

Key to these successes is the collection and dissemination of actionable intelligence regarding maritime cocaine shipments. *Operation Panama Express*, an Organized Crime Drug Enforcement Task Force (OCDETF) initiative managed jointly by FBI, DEA, ICE, U.S. Coast Guard and JIATF-South, has greatly expanded interdiction-related intelligence. Since its inception in February 2000, *Operation Panama Express* has directly contributed to the seizure of more than 392 tons of cocaine and the arrest of more than 1,000 individuals. The President's 2007 Budget includes an increase of \$5.3 million for DEA's *Operation Panama Express* activities to enhance this important program.

JIATF-South, which integrates the interdiction efforts of U.S. law enforcement and intelligence agencies with the Department of Defense, was a model of interagency coordination and efficiency in 2005. Of particular significance is JIATF-South's close working relationship with numerous allied countries—11 countries from South America and Europe have liaison officers at JIATF-South—which is critical for the synchronization of regional operations. As a result, allies such as the United Kingdom, the Netherlands, Spain, and France also seized record-breaking amounts of European-bound cocaine in the Eastern Caribbean and the Atlantic Ocean in 2005 – 68 metric tons of cocaine, compared to 38 metric tons in 2004.

Record seizures are hurting traffickers, eroding their profits, and destabilizing the transportation sector of the cocaine industry. However, as long as fishing-vessel and speedboat drug deliveries are still getting past our defenses in the Transit Zone, more work has to be done. As the traffickers modify their strategy, we will continue to adapt and forge new initiatives that will have an even greater impact on the illicit drug market.

### **Afghanistan**

The United States is working to ensure that Afghanistan is never again a haven for terrorists and is no longer a major opium-producing country, or a source of instability or oppression. The production and trafficking of narcotics in Afghanistan is a threat to the stability of both Afghanistan and the surrounding region. Recent estimates from the United Nations Office on Drugs and Crime indicate that 87 percent of the world's illegal opiates are produced in Afghanistan. In addition to all the other nefarious and debilitating consequences of opium poppy cultivation in Afghanistan, robust drug production contributes to an environment of corruption and political and economic instability that can foster insurgent and terrorist organizations, thus threatening the democratically elected Afghan Government. The continued support of counternarcotics efforts must remain an important part of overall U.S. policy in Afghanistan.

The strategy for attacking the economic basis of the drug trade in Afghanistan reinforces other priorities in the U.S. Global War on Terror. We are committed to a counternarcotics strategy that aims to enhance stability in this fledgling democracy by attacking a source of financial and political support for terrorist organizations that threaten the United States and our allies. Our

strategic objectives are to (1) build Afghan institutional capacity to sustain the battle against narcotics; (2) assist Afghan authorities to arrest, prosecute, and punish drug traffickers and corrupt Afghan officials; (3) increase the risk and provide economic alternatives to the illegal narcotics trade; and (4) support Afghan Government efforts to make the narcotics trade culturally unacceptable. Eliminating the entrenched drug trade and drug-funded corruption requires a long-term and sustained effort, to which Afghanistan President Hamid Karzai has pledged his complete support and commitment. To further these objectives in 2007, the budget of the Bureau of International Narcotics and Law Enforcement includes \$297.4 million to assist counternarcotic programs in Afghanistan. This is an increase in counternarcotics funding of \$151.7 million over 2006.

Opium poppy cultivation in Afghanistan fell 48 percent from 2004 levels to 107,000 hectares in 2005. Potential opium production was estimated at 4,475 metric tons, a 10 percent decrease from 2004. The decrease in potential opium production was lower than the decrease in opium poppy cultivation because exceptionally good precipitation and minimal disease problems contributed to a rebound in opium yields. If the entire opium crop were processed, production results would equate to a potential 526 metric tons of heroin. To date, notable progress has been achieved in Afghanistan. Cultivation levels appear to have declined in 2005, primarily due to decisions by farmers to grow less poppy, rather than through substantial eradication programs. Although we are encouraged by the decline in poppy cultivation in 2005, we remain vigilant and determined to rid Afghanistan of the scourge of the opium trade. The overall scope of the drug threat in Afghanistan remains unacceptably high. Building on these results will continue to require enormous political and administrative efforts, and we look forward to working with the Government of Afghanistan to strengthen its ability to combat this dangerous threat.

### **Reducing Prescription Drug Abuse**

The rise in the non-medical use of prescription drugs listed as controlled substances has created a new challenge not only for traditional organizations involved in reducing drug use (e.g., law enforcement, treatment providers, and prevention specialists) but also for the medical and pharmaceutical community.

The Administration's strategy in this area focuses on preventing diversion and getting user into treatment where necessary. For example, one of the successful programs at the state level is the Prescription Drug Monitoring Program (PDMP), which helps alert doctors, pharmacists, and, when appropriate, law enforcement to potential abuse of medicines. As of October 2005, a total of 27 states have operational PDMPs or are in the process of implementing them. To give a specific example of where PDMPs can help, an individual struggling with an addiction to Vicodin might go to five doctors to complain of back pain and receive five separate prescriptions for the drug, which could then be filled at five separate pharmacies. States with PDMPs help prevent doctors and pharmacists from becoming unwitting accessories to the abuse of these prescription drugs by showing information on other prescriptions given to, or filled by, the individual within the preceding weeks or months. To further strengthen this successful initiative,

the President's 2007 Budget includes \$9.9 million to support prescription drug monitoring programs, an increase of \$2.5 million over 2006.

Another source of prescription drug abuse is the Internet, which is populated with thousands of sites that offer controlled substance prescriptions. Some Internet pharmacies operate within the law and accepted medical practice, providing a valuable service to consumers with a legitimate medical need for prescription drugs. However, the DEA has investigated cases where unscrupulous doctors have operated "pill mills" that essentially sell prescriptions or drugs after cursory or non-existent medical examinations, sometimes making use of pharmaceuticals that have been smuggled into the United States. In response to this challenge, the DEA will continue to work closely with the FDA to identify, investigate, and target online pharmacies operating outside the bounds of the law.

#### **IV. Significant Program Changes and Realignment**

In addition to the initiatives already highlighted, the 2007 Budget proposes several significant program changes or realignments to the national drug control program. Among the more consequential of these changes are those to the Safe and Drug-Free Schools program, the High Intensity Drug Trafficking Area program, and the Counterdrug Technology Assessment Center.

##### **Safe and Drug-Free Schools and Communities (SDFSC)**

The President's FY 2007 Budget proposes to terminate funding for SDFSC State Grants, given the program's inability to demonstrate effectiveness and because grant funds are spread too thinly to support high-quality interventions. Instead, the request includes significant increases for SDFSC National Programs activities that provide direct support to local educational agencies, in sufficient amounts to make a real difference. The Department of Education's SDFSC National Program proposal will support drug prevention and school safety projects that are structured in a manner that permits grantees and independent evaluators to measure progress, hold projects accountable, and determine which interventions are most effective.

##### **High Intensity Drug Trafficking Areas (HIDTA)**

For 2007, the Budget proposes transferring the High-Intensity Drug Trafficking Area (HIDTA) program, operated by the Office of National Drug Control Policy, to the Department of Justice, to ensure better coordination with the Organized Crime and Drug Enforcement Task Force (OCDETF) and the Department's many drug enforcement efforts. DOJ's management and oversight of the program will ensure that we are fully utilizing all resources and programs to their fullest potential to achieve our common goal of market disruption for illegal drugs; while at the same time preserving the program's worthy elements such as intelligence sharing and fostering multi-agency and multi-jurisdictional law enforcement coordination among Federal, state, and local agencies and officials.

DOJ will make certain the HIDTA program plays a key role in our Nation's drug enforcement efforts, particularly those involving coordination with state and local departments, in a manner that complements the activities of other existing programs, like OCDETF, and of individual agencies, involved in drug enforcement. The 2007 Budget proposes \$207.6 million for HIDTA as a separate activity within DOJ.

### **Counterdrug Technology Assessment Center (CTAC)**

In 2007, the President's Budget proposes a significant restructuring of ONDCP's CTAC program. In 2006, CTAC was funded at \$29.7 million—\$15.8 million for the Technology Transfer Program (TTP) and \$13.9 million for research. In 2007, the TTP program would be eliminated, although research funding would continue at \$9.6 million.

### **V. Conclusion**

The Administration looks forward to working with this Subcommittee and the entire Congress to implement the policies and programs called for in the President's Fiscal Year 2007 Budget. What we are proposing will yield continued success. Together with Congress, we can achieve yet greater progress in reducing illegal drug use, particularly among our youth, and make our streets and neighborhoods safer by further limiting drug availability across the country. Thank you again for the opportunity to appear before you today in support of the President's Fiscal Year 2007 National Drug Control Budget. I would be pleased to respond to any questions the Subcommittee may have.

**Attachment: Drug Control Funding**  
**FY 2005–FY 2007**  
(Budget Authority in Millions)

	<b>FY 2005 Final</b>	<b>FY 2006 Enacted</b>	<b>FY 2007 Request</b>
<b>Department of Defense</b>			
Counternarcotics Central Transfer Account	\$905.8	\$936.1	\$926.9
Supplemental Appropriations	\$242.0		
<b>Department of Education</b>	590.5	490.9	165.9
<b>Department of Health and Human Services</b>			
National Institute on Drug Abuse	1,006.4	1,000.0	994.8
Substance Abuse and Mental Health Services Administration	2,490.5	2,442.5	2,411.1
<b>Total HHS</b>	3,496.9	3,442.5	3,405.9
<b>Department of Homeland Security</b>			
Customs and Border Protection	1,429.0	1,591.0	1,796.5
Immigration and Customs Enforcement <sup>1</sup>	361.5	436.5	477.9
U.S. Coast Guard <sup>1</sup>	871.9	1,032.4	1,030.1
<b>Total DHS</b>	2,662.4	3,059.9	3,304.6
<b>Department of Justice</b>			
Bureau of Prisons	48.6	49.1	51.0
Drug Enforcement Administration	1,793.0	1,876.6	1,948.6
Interagency Crime and Drug Enforcement	553.5	483.2	706.1
Office of Justice Programs	281.1	237.4	248.7
<b>Total Department of Justice</b>	2,676.2	2,646.3	2,954.3
<b>ONDCP</b>			
Counterdrug Technology Assessment Center	41.7	29.7	9.6
Operations	26.8	26.6	23.3
High Intensity Drug Trafficking Area Program <sup>2</sup>	226.5	224.7	-
Other Federal Drug Control Programs	212.0	193.0	212.2
<b>Total ONDCP</b>	507.0	474.0	245.1
<b>Department of State</b>			
Bureau of International Narcotics and Law Enforcement Affairs	903.1	1,028.2	1,166.7
Supplemental Appropriations	260.0		
<b>Department of Treasury</b>			
Internal Revenue Service <sup>1</sup>	-	55.0	55.6
<b>Department of Veterans Affairs</b>			
Veterans Health Administration	396.1	412.6	428.3
<b>Other Presidential Priorities<sup>3</sup></b>	2.2	1.0	2.5
<b>Total Federal Drug Budget</b>	<b>\$12,642.3</b>	<b>\$12,546.6</b>	<b>\$12,655.8</b>

<sup>1</sup> In FY 2005, the Organized Crime Drug Enforcement Task Force funds for the Departments of Treasury and Homeland Security were appropriated in the Department of Justice Interagency Crime and Drug Enforcement (ICDE) accounts. Beginning in FY 2006, the Departments of Homeland Security and Treasury ICDE funds are displayed as separate accounts in their respective departments.

<sup>2</sup> Beginning in FY 2007, the High Intensity Drug Trafficking Area Program is transferred to Justice and incorporated into the Interagency Crime and Drug Enforcement account.

<sup>3</sup> Includes the Small Business Administration's Drug-Free Workplace grants and the National Highway Traffic Safety Administration's Drug Impaired Driving program.